

Block 4: Recipients of Service

16. Eligible Entities That Will Receive Services:

Check the ONE choice (a,b or c) that best describes this application and the eligible entities that will receive the services described in this application. You will then list in Item 17 the entity/entities that will pay the bills for these services.

a. ☒ Individual school or single-site library.

b. ☒ Statewide application for (enter 2-letter state code) representing (check all that apply):

☒ All public schools/districts in the state:

☒ All non-public schools in the state:

☒ All libraries in the state:

If your statewide application includes INELIGIBLE entities, check here. ☒ If checked, complete Item 18.

c. ☒ School district, library system, or consortium application to serve multiple eligible entities:

Number of eligible sites	6
<i>For these eligible sites, please provide the following</i>	
Area Codes (list each unique area code)	Prefixes associated with each area code (first 3 digits of phone number) separate with commas, leave no spaces
423	507,745,746
If your application includes INELIGIBLE entities, check here. <input checked="" type="checkbox"/> If checked, complete Item 18.	

17. Billed Entities

List the entity/entities that will be paying the bills directly to the provider for the services requested in this application. These are known as Billed Entities. At least one line of this item must be completed. Attach additional sheets if necessary.

Entity	Entity Number
ATHENS CITY SCHOOL DISTRICT	128266

18. Ineligible Participating Entities

Does your application also seek bids on services to entities that are not eligible for the Universal Service Program? If so, list those entities here (attach pages if needed):

Ineligible Participating Entity	Area Code	Prefix
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Block 5: Certification and Signature

19. The applicant includes: (Check one or both)

a. ☒ schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. Secs. 7801(18) and (38), that do not operate as for-profit businesses, and do not have

endowments exceeding \$50 million; and/or

b. ☒ libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any school (including, but not limited to elementary and secondary schools, colleges and universities).

20. All of the individual schools, libraries, and library consortia receiving services under this application are covered by:

- a. ☒ individual technology plans for using the services requested in the application, and/or
- b. ☒ higher-level technology plans for using the services requested in the application, or
- c. ☒ no technology plan needed; application requests basic local and/or long distance telephone service only.

21. Status of technology plans (if representing multiple entities with mixed technology plan status, check both a and b):

- a. ☒ technology plan(s) has/have been approved by a state or other authorized body.
- b. ☒ technology plan(s) will be approved by a state or other authorized body.
- c. ☒ no technology plan needed; application requests basic local and long distance telephone service only.

22. ☒ I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value.

23. ☒ I recognize that support under this support mechanism is conditional upon the school(s) or library(ies) I represent securing access to all of the resources, including computers, training, software, maintenance, and electrical connections necessary to use the services purchased effectively.

24. ☒ I certify that I am authorized to submit this request on behalf of the above-named entities, that I have examined this request, and to the best of my knowledge, information, and belief, all statements of fact contained herein are true.

25. Signature of authorized person: ☒

26. Date (mm/dd/yyyy): 12/20/2002

27. Printed name of authorized person: DR. CRAIG D. RIGELL

28. Title or position of authorized person: DIRECTOR OF SCHOOLS

29a. Address of authorized person:

City: State: Zip:

29b. Telephone number of authorized person: (423) 745 - 2863

29c. Fax number of authorized person: ()

29d. E-mail address number of authorized person:

Persons willfully making false statements on this form can be punished by fine or forfeiture, under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

Service provider involvement with preparation or certification of a Form 470 can taint the competitive bidding process and result in the denial of funding requests. For more information, refer to the "Service Provider Role in Assisting Customers" at www.sl.universalservice.org/vendor/manual/chapter5.doc or call the Client Service Bureau at 1-888-203-8100.

NOTICE: Section 54.504 of the Federal Communications Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file this Description of Services Requested and Certification Form (FCC Form 470) with the Universal Service Administrator. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the competitive bidding requirement contained in 47 C.F.R. § 54.504. All schools and libraries planning to order services eligible for universal service discounts must file this form themselves or as part of a consortium.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation or a potential violation of a FCC statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding. In addition, information provided in or submitted with this form or in response to subsequent inquiries may also be subject to disclosure consistent with the Communications Act of 1934, FCC regulations, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law.

If you owe a past due debt to the federal government, the information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized.

If you do not provide the information we request on the form, the FCC may delay processing of your application or may return your application without action.

The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq.

Public reporting burden for this collection of information is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554.

Please submit this form to:

**SLD-Form 470
P.O. Box 7026
Lawrence, Kansas 66044-7026
1-888-203-8100**

For express delivery services or U.S. Postal Service, Return Receipt Requested, mail this form to:

**SLD-Form 470
c/o Ms. Smith
3833 Greenway Drive
Lawrence, Kansas 66046
1-888-203-8100**

FCC Form 470
May 2003

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Universal Service Administrative Company Schools and Libraries Division

E-RATE DISCOUNTS FOR SCHOOLS AND LIBRARIES

The E-rate – or, more precisely, the Schools and Libraries Universal Service Support Mechanism – provides discounts to assist most schools and libraries in the United States to obtain affordable telecommunications and Internet access. Three service categories are funded: Telecommunications Services, Internet Access, and Internal Connections. Discounts range from 20% to 90% of the costs of eligible services, depending on the level of poverty and the urban/rural status of the population served. Eligible schools, school districts and libraries may apply individually or as part of a consortium.

The E-rate supports **connectivity** – the conduit or pipeline for communications using telecommunications services and/or the Internet. The school or library is responsible for providing additional resources such as the end-user equipment (computers, telephones, and the like), software, professional development, and the other elements that are necessary to realize the objectives of that connectivity.

The E-rate is one of four support mechanisms funded through a Universal Service fee charged to companies that provide interstate and/or international telecommunications services. The Universal Service Administrative Company (USAC) administers the Universal Service Fund at the direction of the Federal Communications Commission (FCC); USAC's Schools and Libraries Division (SLD) administers the E-rate.

This document summarizes the process schools and libraries follow to apply for and receive E-rate discounts. Each of the steps in this process – preparing a technology plan, opening the competitive process (Form 470), seeking discounts on eligible services (Form 471), confirming the receipt of services (Form 486), and invoicing for services (Forms 472 and 474) – is covered in more detail below. However, this document is not intended to be a substitute for form instructions or the guidance materials posted on the SLD section of the USAC web site.

The Technology Plan Shows How Technology Will Improve Education or Library Services

The first step for most schools, school districts, and libraries that intend to apply for E-rate discounts is to prepare a technology plan. This plan sets out how technology will be used to achieve specific curriculum reforms or library service improvements. It guides planning and investment – both for E-rate funds and for the other resources needed to take advantage of technology.

A technology plan designed to improve education or library services must contain the following five components:

- Clear goals and a realistic strategy for using telecommunications and information technology
- A professional development strategy to ensure that staff knows how to use these new technologies
- An assessment of the telecommunication services, hardware, software, and other services needed
- A sufficient budget to acquire and support the non-discounted elements of the plan: the hardware, software, professional development, and other services that will be needed to implement the strategy
- An evaluation process that enables the school or library to monitor progress toward the specified goals.

Before discounts are provided to applicants, an SLD-certified technology plan approver must approve their technology plans. Applicants can locate SLD-certified approvers by using a search tool available on the web site. However, applicants who seek discounts only for basic local and/or long distance telephone services (wireline or wireless) need not prepare technology plans.

The FCC Form 470 Opens a Competitive Process for the Services Desired

After the technology plan has been developed and the applicant has identified the products and services needed to implement the plan, the applicant submits to the SLD a Form 470, Description of Services Requested and Certification Form, either online or on paper. The SLD posts completed forms on the web site to notify service providers that the applicant is seeking the products and services identified.

Applicants must wait at least 28 days after the Form 470 is posted to the web site and consider all bids they receive before selecting the service provider to provide the services desired. In addition, applicants must comply with all applicable state and local procurement rules and regulations and competitive bidding requirements. A complete description of the requirements associated with the Form 470 can be found in the Form 470 Instructions.

- An applicant cannot seek discounts for services in a category of service on the Form 471 if those services in those categories were not indicated on a Form 470.
- The Form 470 **MUST** be completed by the entity that will negotiate with potential service providers.
- The Form 470 cannot be completed by a service provider who will participate in the competitive process as a bidder. If a service provider is involved in preparing the Form 470 and that service provider appears on the associated Form 471, this will taint the competitive process and lead to denial of funding requests that rely on that Form 470.
- The Form 470 applicant is responsible for ensuring an open, fair competitive process and selecting the most cost-effective provider of the desired services.
- The applicant should carefully consider whether to receive discounts on bills or reimbursements for services paid in full.
- The applicant should save all competing bids for services to be able to demonstrate that the bid chosen is the most cost-effective, with price being the primary consideration. As with all documents that may be requested as part of an audit or other inquiry, such bids should be saved for at least five years.

~~Note that once an applicant has signed a multi-year contract in a prior funding year pursuant to a posted Form 470, it need not submit a new Form 470 to be eligible to apply for discounts on the services provided under that multi-year contract for future funding years.~~

After the SLD has successfully posted a Form 470 to the web site, the SLD sends the applicant a **Form 470 Receipt Notification Letter** that provides important information, including the "Allowable Vendor Selection/Contract Date," the earliest date the applicant can select a service provider, execute a contract, and submit a complete Form 471.

The FCC Form 471 Seeks Funding for Eligible Services Competitively Bid

Having selected the service provider, the applicant is ready to complete the Form 471, Services Ordered and Certification Form -- the actual request for funding. Because the amount of funding available each year is capped at \$2.25 billion and demand in most years has significantly exceeded funds available, FCC rules prescribe a filing window during which all Forms 471 that are filed are treated as if simultaneously received. (Applications that are not filed within that timeframe likely will not receive funding.) Once the filing window opens, the applicant can submit the Form 471 either online or on paper.

The Form 471 is used to calculate the discount percentage to which the applicant is entitled. In general, the E-rate discount is based on the percent of the local school district population eligible for the National School Lunch Program. The Form 471 also lists the individual funding requests, which must be separated by service category and service provider.

- ALL window filing requirements – as stated in the Form 471 Instructions – MUST be met in order for an application to be considered with all others received in that timeframe.
- Schools and libraries are required to pay the non-discount portion of the services for which they receive discounts. The funding necessary to pay this portion must be budgeted and approved before submission of the Form 471.
- Funding requests should be limited to the cost of eligible services to be delivered to eligible entities for eligible purposes. If 30% or more of a request is ineligible, the entire request will be denied.
- There are a number of important certifications on the Form 471. Applicants should be sure they can truthfully and correctly make these certifications. The SLD checks the accuracy of the certifications made by applicants and denies funding if one or more of the certifications are found to be untrue. False statements on the Form 471 (and other FCC forms) can result in civil and/or criminal liability.
- The Form 471 cannot be processed without the required attachment(s), which must contain detailed information about the products and services ordered so that the SLD can verify eligibility.
- The **Form 471 Receipt Acknowledgment Letter** provides important information to the applicant and the service provider, including a summary of the data from the Form 471.

The Funding Commitment Decision Letter Contains SLD Decisions on Funding Requests

Once the Form 471 has been reviewed, the SLD issues one or more Funding Commitment Decision Letters (FCDLs) to both the applicant and the service provider, setting out its decisions for each funding request. If an applicant believes any of its funding requests have been incorrectly reduced or denied, the applicant can appeal the SLD decision(s), either to the SLD or to the FCC. Appeals must be RECEIVED OR POSTMARKED no later than 60 days after the date of the SLD decision letter.

The FCC Form 486 Tells SLD that Delivery of Services Has Begun

In order to help the SLD ensure that it pays service providers only for services that have actually been delivered, the applicant submits the Form 486, Receipt of Service Confirmation Form, listing each separate funded request for which the delivery of services has begun. However, applicants who have confirmed that delivery of services will begin in July of the Funding Year may be able to file the Form 486 early (on or before July 31 of the Funding Year). The Form 486 also tells the SLD that the applicant's technology plan – if required – has been approved, and informs the SLD of the applicant's status of compliance with the Children's Internet Protection Act (CIPA). Funding may be reduced if the Form 486 is received or postmarked after the deadline listed later in this document.

The Invoice (FCC Form 472 or FCC Form 474) Tells SLD to Pay the Service Provider

The SLD must receive an invoice in order to pay the discount amount on services for which funds have been committed. If applicants receive discounts on their bills from service providers, the service providers must submit the Form 474, Service Provider Invoice Form, to receive payment for the discounts they have provided. If applicants wish to request reimbursement for services for which they have already paid in full, they must submit the Form 472, Billed Entity Applicant Reimbursement Form. The SLD

bases the billing mode for each funding request – discounting or reimbursement – on the first type of invoice it processes for payment. Note that payment will not be made on a Form 472 or a Form 474 received or postmarked after the deadline listed later in this document. Receipt of discounts or reimbursements completes the E-rate process.

Retention of Records and Audits

Applicants **MUST** maintain their records for at least five years to be able to comply with audits and other inquiries or investigations. USAC and the FCC visit a sample of applicants to ensure services have been delivered in compliance with FCC rules.

How to Get More Information

All of the concepts covered in this overview are discussed in more detail on the web site at www.sl.universalservice.org. Specific information on completing the individual forms can be obtained by downloading the forms and instructions from the web site. In addition, the Reference Area of the web site contains information on deadlines, sample letters, frequently asked questions, and other useful documents. The SLD Client Service Bureau is also available to answer questions by telephone, fax or e-mail during normal business hours:

Telephone: 1-888-203-8100
 Fax: 1-888-276-8736
 E-mail: Use the "Submit a Question" link on the SLD web site

E-rate Timetable and List of Deadlines

Form or Event	Deadline or Dates
Funding Year	July 1 through the following June 30 (non-recurring services through the following September 30)
Form 470	Posted at least 28 days before the filing of the Form 471, keeping in mind (1) the timeframe for compliance with all competitive bidding requirements and (2) the Form 471 application filing window opening and closing dates
Form 471 window	Early November to early February preceding the start of the Funding Year (exact dates for each funding year will be posted on the web site)
Form 471	Received or postmarked no later than 11:59 PM EST on the day of the close of the Form 471 application filing window (exact date will be posted on the web site)
Form 486	Received or postmarked no later than 120 days after the date of the Funding Commitment Decision Letter or 120 days after the Service Start Date, whichever is later
Form 472 / Form 474	Received or postmarked no later than 120 days after the date of the Form 486 Notification Letter or 120 days after the last date to receive service, whichever is later
Appeals	Received or postmarked no later than 60 days after the date of the SLD decision letter

Visit us at www.sl.universalservice.org

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ATHENS CITY SCHOOL SYSTEM

TEL: 423 745 9041

P. 002

OS

School and Libraries Division
Correspondence Unit
100 South Jefferson Road
P.O. Box 982
Whippany, New Jersey 07981

RECEIVED MAR 26 2007

THE UNIVERSITY OF CHICAGO

00029
APRONS CITY SCHOOL DISTRICT
Teresa Reed
903 CHRISTIAN DR
ATLANTA, TN 37103-6130

[illegible]

5



Universal Service Administrative Company
Schools & Libraries Division

Revised Funding Commitment Decision Letter
(Funding Year 2005: 07/01/2005 - 06/30/2006)

March 23, 2007

ATHENS CITY SCHOOL DISTRICT
Teresa Read
943 CRESTWAY DR
ATHENS, TN 37303-4130

RE: Form 471 Application Number: 476573
Billed Entity Number: 128266
Applicant's Form Identifier: Athens0506

This letter is your notification that your appeal has been resolved and is the official Revised Funding Commitment Decision letter (RFCDL) providing you with the dollar value and other details of the funding commitment(s) made for the FCC Form 471 Application identified above in response to your appeal.

The Funding Commitment Report (Report) that follows this Revised FCDL contains a list of items that were included in your original FCDL. An explanation of the items in the attached report is included in the sample FCDL posted to the SLD section of the USAC web site, and was included in your original FCDL. Depending on the nature of your appeal, this Report may have been updated to reflect the new total amount of discount for a funding request. Applicants should use THIS updated information when completing the FCC Form 486, if Form 486 has not already been submitted.

This same information is being sent to the service provider(s) whose Service Provider Identification Number (SPIN) was featured in your funding request(s). We urge you to contact your service provider(s) to make any necessary arrangements regarding delivery of service and provision of your discounts.

IMPLEMENTATION TIMEFRAME

The Federal Communications Commission (FCC) released on June 29, 2001, an Order extending the implementation period for non-recurring services. Any non-recurring service for which funds are committed in this letter may be delivered and installed up to September 30, 2008. Support for recurring services, however, is available only for services provided during the period July 01, 2005 through June 30, 2006.

If Forms 486 have not already been submitted for these services provided by this service provider as identified by the SPIN in the attached Funding Report, Forms 486 must be received or postmarked no later than 120 days after the Service Start Date, or 120 days after the date of an FCDL that approves funding, whichever is later, to receive discounts retroactively to the Service Start Date. If any funding was approved in the original FCDL and any services were provided by the service provider whose SPIN was referenced in the original Funding Report, the deadlines described above are calculated based on the original FCDL. If these services are approved as a result of a SPIN Correction, a new Form 486 will be required to allow invoicing for such services.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step will be to facilitate receipt of discounts as explained in this letter.

RECURRING SERVICES: In order to receive reimbursement, you must file Form 486, Receipt of Service Confirmation Form, if it has not already been filed. The Form 486 notifies the SLD that services have been delivered. It also provides certified indication that your technology plan(s), if required, has been approved. The Form 486 and instructions are posted on the SLD web site at www.sl.universalservice.org. You may also contact the SLD Client Service Bureau by fax at 1-800-276-8736 or by phone at 1-886-203-8100 and ask that the form and instructions be sent to you. The Form 486, dated August 2003 in the lower right corner, MUST be used. As you complete Form 486, you should also contact your service provider(s) to verify they have received notice from the SLD of your funding commitment(s). After the SLD processes your Form 486, we can begin processing invoices for those discounted services (either the FCC Form 472, Billed Entity Applicant Reimbursement Form filed by the applicant or the FCC Form 474, Service Provider Invoice Form filed by the service provider).

NON-RECURRING SERVICES: Since these commitments come well after your application was submitted, it is possible that Contract Expiration Dates indicated on the FCC Form 471 will have passed. The attached Funding Commitment Report for this application includes the Contract Expiration Date from the Form 471, if provided. FCC rules grant a limited extension for contracts for non-recurring services. "[C]ontracts for nonrecurring services may be voluntarily extended to coincide with the appropriate deadline for the implementation [of delivery and installation for nonrecurring services]. Parties may not, however, extend other contractual provisions beyond the dates established by the Commission's rules without complying with the competitive bidding process." [FCC 01-195, released June 29, 2001]. If you have been waiting for this commitment letter before directing your service provider to start non-recurring service and if the Contract Expiration Date on the Form 471 has passed, the SLD will not be able to process a Form 486 with a reported Service Start Date after the Contract Expiration Date. If this is true for you, you should first negotiate a contract extension with your service provider and then file an FCC Form 500, Adjustment to Funding Commitment and Modification to Receipt of Service Confirmation Form, to notify the SLD of the new Contract Expiration Date. After submitting the Form 500, your next step will be to file the Form 486 with the SLD.

If you have any questions about this Revised FCDL, please call our Client Service Bureau.

TO APPEAL THIS DECISION:

If you wish to appeal a decision in this letter, your appeal must be received by the SLD or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) e-mail address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the decision letter and the decision you are appealing:
 - appellant name,
 - applicant or service provider name, if different than appellant,
 - applicant BEN and service provider SPIN,
 - application number as assigned by USAC,
 - name of the letter and funding year - both are located at the top of the letter, AND
 - the exact text or the decision that you are appealing.
3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by the SLD's decision. If you are a service provider, please provide a copy of your appeal to the applicant affected by the SLD's decision.
5. Provide an authorized signature on your letter of appeal.

To submit your appeal to the SLD by e-mail, use the "Submit a Question" feature on the web site at www.sl.universalservice.org. Click "Continue," choose "Appeals" from the Topics Inquiry on the lower portion of your screen, and click "Go" to begin your appeal submission. The system will prompt you through the process. The SLD will automatically reply to incoming e-mails to confirm receipt.

To submit your appeal to the SLD by fax, fax your appeal to (973) 599-6542.

To submit your appeal to the SLD on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division
Box 125 - Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted in the Reference Area of our web site. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Universal Service Support Mechanism. Applicants who have received funding commitments continue to be subject to audits and other reviews that Universal Service Administration Company (USAC) and/or the Federal Communications Commission (FCC) may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. The SLD may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by the SLD, the applicant, or the service provider. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

FUNDING COMMITMENT REPORT
Billed Entity Name: ATHENS CITY SCHOOL DISTRICT
BEN: 128266
Funding Year: 2005

Form 471 Application Number: 476573
Funding Request Number: 1315742
Funding Status: Not Funded
Category of Service: TELCOMM SERVICES
Form 470 Application Number: 340780000445460
SPIN: 143004055
Service Provider Name: Tele- Sys, Inc. dba Access America
Contract Number: N/A
Billing Account Number: 423-745-2863
Service Start Date: 07/01/2005
Contract Expiration Date: 06/30/2006
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$29,554.20
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$167.50
Pre-discount Amount: \$29,741.70
Discount Percentage Approved by the SLD: N/A
Funding Commitment Decision: \$0.00 - Contract Extension Violation
Funding Commitment Decision Explanation: The cited 470 was not the basis for the
establishment of the voluntary contract extension, and does not meet the 28 day
competitive bidding requirements.
Revised FCDL Date: 03/23/2007
Appeal Wave Number: A41

Access America



ACCESS AMERICA TELEPHONE COMPANY

Local | Long Distance | Internet

**ACCESS AMERICA PREFERRED CUSTOMER TERM AGREEMENT FOR LOCAL
TELEPHONE SERVICE AND LONG DISTANCE CALLING**

This agreement entered into this 24th day of January, 2003 between ACCESS AMERICA and

Athens City Schools

, the Purchaser.

ACCESS AMERICA desiring to furnish local telephone and long distance telephone services to Purchaser and Purchaser desiring to obtain PREFERRED CUSTOMER TERM status for Local Telephone Service and for Inward and Outward Calling from ACCESS AMERICA do jointly agree as follows:

Services to be Rendered

ACCESS AMERICA agrees to furnish quality local telephone service and long distance telephone services to Purchaser originating or terminating at the purchaser's location(s) at Preferred Customer Term Rates (5% Discount for Local Telephone Service and 9.8 cents per minute for 1+ outward and 800 inward calling). Local Telephone Service is defined as lines and features excluding FCC Access Charges, 911 emergency charges and other regulated charges, federal, state, and local taxes.

Price Stabilization

ACCESS AMERICA agrees that long distance prices in effect at the time of this agreement will remain the same for the period of the agreement. Should it become necessary for ACCESS AMERICA for any reason to increase long distance prices to Purchaser, except for the limitations described in the below paragraph, Purchaser's Obligation, Purchaser will have no termination liability for long distance telephone service under this contract unless a new term contract is executed by both parties for a new period in which case, the terms and provisions of the new term contract supersede the terms and provisions of this term contract.

Purchaser's Obligation - Agreement to Pay On Time and in Full Within Ten Days

Purchaser agrees to render payment for the full amount of each monthly bill so that payment is received by ACCESS AMERICA in its office in Oak Ridge, TN no later than the due date printed on the invoice (this is normally THE FIRST CALENDAR DAY of the month following the month in which the bill is rendered, i.e. 10 days). Should payment in any month not be received by the due date on the bill, ACCESS AMERICA remains under no obligation to maintain Preferred Customer Term Status. All other terms, conditions and provisions of this contract will remain in effect.

Termination Liability

Purchaser may elect to terminate this agreement at any time upon thirty (30) days written notice. Upon termination, calls billed to Purchaser will be billed at a higher rate than the Preferred Customer Term rates. Discounts received and any service charges and installation charges waived during the term of the agreement will be debited to the next bill issued to Purchaser after receipt of the termination notification. Any termination liabilities resulting from term plans or contracts assumed from the incumbent local exchange carrier (ILEC) will be debited to the next bill issued to Purchaser after receipt of the termination notification.

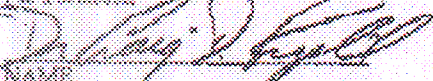
Period of this Agreement

This agreement shall remain in effect for Twelve (12) Months and thereafter will automatically renew for up to 4 like periods (providing a total agreement length of 60 months) unless terminated by either party under the conditions stated herein.

The undersigned certifies that the above terms, conditions, and provisions have been read, understood and accepted.

Signed

For Purchaser



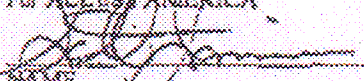
Dr. Craig R. McGill

PRINT NAME TITLE

DIRECTOR OF SCHOOLS

Signed

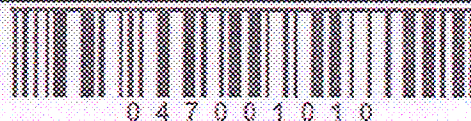
For ACCESS AMERICA



Scott Samison, President

PRINT NAME TITLE

FCC Form 471	Do not write in this area.	Approval by OMB 3060-0006
Schools and Libraries Universal Service Description of Services Ordered and Certification Form 471 Estimated Average Burden Hours per Response: 4 hours		
This form asks schools and libraries to list the eligible telecommunications-related services they have ordered and estimate the annual charges for them so that the Fund Administrator can set aside sufficient support to reimburse providers for services. Please read instructions before beginning this application. (You can also file online at www.sl.universalservice.org .) The instructions include information on the deadlines for filing this application.		
Applicant's Form Identifier (Create your own code to identify THIS form 471) Athens0506		Form 471 Application# (To be assigned by administrator) 476573
Block 1: Billed Entity Information (The "Billed Entity" is the entity paying the bills for the service listed on this form.)		
1 a	Name of Billed Entity: ATHENS CITY SCHOOL DISTRICT	
2 a	Funding Year: July 1, 2005 Through June 30, 2006	Billed Entity Number: 129266
4 a	Street Address, P.O. Box, or Routing Number: 843 CRESTWAY DR	
	City: ATHENS	
	State: TN	Zip Code: 37303 4130
5 a	Type of Application: <input type="checkbox"/> Individual School (individual public or non-public school) <input checked="" type="checkbox"/> School District (LEA; public or non-public [e.g., diocesan] local district representing multiple schools) <input type="checkbox"/> Library (including library system, library outlet/branch or library consortium as defined under LSTA) <input type="checkbox"/> Consortium <input type="checkbox"/> Check here if any members of this consortium are ineligible or non-governmental entities	
6	Contact Person's Name: Teresa Read	
First, if the Contact Person's Street Address is the same as in item 4, check this box. <input type="checkbox"/> If not, please complete the entries for the Street Address below.		
b	Street Address, P.O. Box, or Routing Number: 843 CRESTWAY DR	
	City: ATHENS	
	State: TN	Zip Code: 37303 4130



Entity Number: 129266	Applicant's Form Identifier: Athens0506	
Contact Person: Teresa Read	Phone Number: 423-745-2863	
This information will facilitate the processing of your applications. Please complete all rows that apply to services for which you are requesting discounts. Complete this information on the FIRST Form 471 you file, to encompass this and all other Forms 471 you will file for this funding year. You need not complete this information on subsequent Forms 471. Provide your best estimates for the services ordered across ALL of your Forms 471. Schools/school districts complete item 7. Libraries complete item 8. Consortia complete item 7 and/or item 8.		

Block 2: Impact of Services Ordered on Schools

IF THIS APPLICATION INCLUDES SCHOOLS...

BEFORE ORDER

AFTER ORDER

7a Number of students to be served

1704

NO DATA**Block 3: Impact of Services Ordered on Libraries****NOT APPLICABLE AS THIS APPLICATION IS FOR DISTRICT**

Worksheet A No: 693054

Student Count: 1704

Weighted Product (Sum. Column 8): 1216.6

Shared Discount: 71%

1. School Name: ATHENS JUNIOR HIGH SCHOOL

2. Entity Number: 41250 NCES: 00 11652 708

3. Rural/Urban: Rural

4. Student Count: 471

5. NSLP Students: 167

6. NSLP Students/Students: 35.456%

7. Discount: 70%

8. Weighted Product: 329.7

9. Pre-K/Adult Ed/Juv:

10. Alt Disc Mech:

1. School Name: CITY PARK ELEMENTARY SCHOOL

2. Entity Number: 41249 NCES: 00 1165 2807

3. Rural/Urban: Rural

4. Student Count: 370

5. NSLP Students: 176

6. NSLP Students/Students: 47.567%

7. Discount: 70%

8. Weighted Product: 259

9. Pre-K/Adult Ed/Juv:

10. Alt Disc Mech:

1. School Name: INGLESIDE ELEMENTARY SCHOOL

2. Entity Number: 41244 NCES: 00 11653 029

3. Rural/Urban: Rural

4. Student Count: 373

5. NSLP Students: 168

6. NSLP Students/Students: 45.040%

7. Discount: 70%

8. Weighted Product: 261.1

9. Pre-K/Adult Ed/Juv:

10. Alt Disc Mech:

1. School Name: NORTH CITY ELEMENTARY SCHOOL

2. Entity Number: 41246 NCES: 00 11653 110

3. Rural/Urban: Rural

4. Student Count: 252

5. NSLP Students: 96

6. NSLP Students/Students: 38.095%

7. Discount: 70%

8. Weighted Product: 176.4

9. Pre-K/Adult Ed/Juv:

10. Alt Disc Mech:

1. School Name: WESTSIDE ELEMENTARY SCHOOL

2. Entity Number: 41245 NCES: 00 11653 193

3. Rural/Urban: Rural

4. Student Count: 238

5. NSLP Students: 183

6. NSLP Students/Students: 55.882%

7. Discount: 80%

8. Weighted Product: 190.4

9. Pre-K/Adult Ed/Juv:

10. Alt Disc Mech:

Block 5: Discount Funding Request(s)

FRN: 1315742 FCDL Date:	
10. Original FRN:	
11. Category of Service: Telecommunications Service	12. 470 Application Number: 302910000468721- 340780000 445460
13. SPIN: 143004059	14. Service Provider Name: Tele- SyS, Inc. dba Access America
15a. Non-Contracted tariffed/Month to Month Service:	15b. Contract Number: MTM Access
15c. Covered under State Master Contract:	15d. FRN from Previous Year:
16a. Billing Account Number: 423-745-2863	16b. Multiple Billing Account Numbers?:
17. Allowable Contract Date: 12/4/2003 1/17/03	18. Contract Award Date:
19a. Service Start Date: 07/01/2005	19b. Service End Date: 06/30/2006
20. Contract Expiration Date: 01/23/2008	
21. Attachment #: 1a 1b	22. Block 4 Worksheet No.: 693054
23a. Monthly Charges: \$2,462.85	23b. Ineligible monthly amt.: \$.00
23c. Eligible monthly amt.: \$2,462.85	23d. Number of months of service: 12
23e. Annual pre-discount amount for eligible recurring charges (23c x 23d): \$29,554.20	
23f. Annual non-recurring (one-time) charges: 187.5	23g. Ineligible non-recurring amt.: 0
23h. Annual pre-discount amount for eligible non-recurring charges (23f - 23g): \$187.50	
23i. Total program year pre-discount amount (23e + 23h): \$29,741.70	
23j. % discount (from Block 4): 71	
23k. Funding Commitment Request (23i x 23j): \$21,116.61	

Block 6: Certifications and Signature

Do not write in this area.

Application ID: 476573

Entity Number	128266	Applicant's Form Identifier	Athens0506
Contact Person	Teresa Read	Phone Number	423-745-2863

Block 6: Certifications and Signature

24. ☒ I certify that the entities listed in Block 4 of this application are eligible for support because they are: (check one or both)
- a. ☒ schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. Secs. 7801(18) and (38), that do not operate as for-profit businesses, and do not have endowments exceeding \$50 million; and/or
- b. ☐ libraries or library consortia eligible for assistance from a State library administrative agency under the Library Services and Technology Act of 1996 that do not operate as for-profit businesses and whose budgets are completely separate from any schools including, but not limited to elementary, secondary schools, colleges, or universities
25. ☒ I certify that the entity I represent or the entities listed on this application have secured access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that the entities I represent or the entities listed in this application have secured access to all of the resources to pay the discounted charges for eligible services from funds to which access has been secured in the current funding year. I certify that the

Billed Entity will pay the non-discount portion of the cost of the goods and services to the service provider(s).

a.	Total funding year pre-discount amount on this Form 471 (Add the entities from Item 23l on all Block 5 Discount Funding Requests.)	\$29,741.70
b.	Total funding commitment request amount on this Form 471 (Add the entities from Items 23K on all Block 5 Discount Funding Requests.)	\$21,116.61
c.	Total applicant non-discount share (Subtract Item 25b from Item 25a.)	\$8,625.09
d.	Total budgeted amount allocated to resources not eligible for E-rate support	\$287,534.00
e.	Total amount necessary for the applicant to pay the non-discount share of the services requested on this application AND to secure access to the resources necessary to make effective use of the discounts. (Add Items 25c and 25d.)	\$296,159.09
f.	<input checked="" type="checkbox"/> Check this box if you are receiving any of the funds in Item 25e directly from a service provider listed on any Forms 471 filed by this Billed Entity for this funding year, or if a service provider listed on any of the Forms 471 filed by this Billed Entity for this funding year assisted you in locating funds in Items 25e.	

26. ☒ I certify that all of the schools and libraries or library consortia listed in Block 4 of this application are covered by technology plans that are written, that cover all 12 months of the funding year, and that have been or will be approved by a state or other authorized body, and an SLD-certified technology plan approver, prior to the commencement of service. The plans are written at the following level(s):

- a. ☐ an individual technology plan for using the services requested in this application; and/or
- b. ☐ higher-level technology plan(s) for using the services requested in this application; or
- c. ☒ no technology plan needed; applying for basic local, cellular, PCS, and/or long distance telephone service and/or voice mail only.

27. ☒ I certify that I posted my Form 470 and (if applicable) made my RFP available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted were carefully considered and the most cost-effective service offering was selected, with price being the primary factor considered, and is the most cost-effective means of meeting educational needs and technology plan goals.



0 4 7 0 0 1 0 1 0

28. ☒ I certify that the entity responsible for selecting the service provider(s) has reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that the entity or entities listed on this application have complied with them.

29. ☒ I certify that the services the applicant purchases at discounts provided by 47 U.S.C. Sec. 254 will be used solely for educational purposes and will not be sold, resold, or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. Sec. 54.500(k). Additionally, I certify that the Billed Entity has not received anything of value or a promise of anything of value, other than services and equipment requested under this form, from the service provider(s) or any representative or agent thereof or any consultant in connection with this request for services.

30. ☒ I certify that I and the entity(ies) I represent have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. There are signed contracts covering all of the services listed on this Form 471 except for those services provided under non-contracted tariffed or month-to-month arrangements. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

31. ☒ I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

32. ☒ I certify that I will retain required documents for a period of at least five years after the last day of service delivered. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to the Administrator. I acknowledge that I may be audited pursuant to participation in the schools and libraries program.

33. ☒ I certify that I am authorized to order telecommunications and other supported services for the eligible entity (ies) listed on this application. I certify that I am authorized to submit this request on behalf of the eligible entity (ies) listed on this application, that I have examined this request, that all of the information on this form is true and correct to the best of my knowledge, that the entities that are receiving discounts pursuant to this application have complied with the terms, conditions and purposes of this program, that no kickbacks were paid to anyone and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under the Title 18 of the United States Code, 18 U.S.C. Sec. 1001 and civil violations of the False Claims Act.
34. ☒ I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.
35. ☒ I certify that if any of the Funding Requests on this Form 471 are for discounts for products or services that contain both eligible and ineligible components, that I have allocated the cost of the contract to eligible and ineligible companies as required by the Commission's rules at 47 C.F.R. Sec. 54.504(g)(1),(2).
36. ☒ I certify that this funding request does not constitute a request for internal connections services, except basic maintenance services, in violation of the Commission requirement that eligible entities are not eligible for such support more than twice every five funding years beginning with Funding Year 2005 as required by the Commission's rules at 47 C.F.R. Sec. 54.506(o).
37. ☒ I certify that the non-discounted portion of the costs for eligible services will not be paid by the service provider. The pre-discount costs of eligible services features on this Form 471 are net of any rebates or discounts offered by the service provider. I acknowledge that, for the purpose of this rule, the provision, by the provider of a supported service, of free services or products unrelated to the supported service or product constitutes a rebate of some or all of the cost of the supported services.

38. Signature of authorized person

39. Signature Date 2/17/05

The Americans with Disabilities Act, the Individuals with Disabilities Education Act and the Rehabilitation Act may impose obligations on entities to make the services purchased with these discounts accessible to and usable by people with disabilities.

NOTICE: Section 54.504 of the Federal Communications Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to file this Services Ordered and Certification Form (FCC Form 471) with the Universal Service Administrator. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the competitive bidding requirement contained in 47 C.F.R. § 54.504. All schools and libraries planning to order services eligible for universal service discounts must file this form themselves or as part of a consortium.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. We will use the information you provide to determine whether approving this application is in the public interest. If we believe there may be a violation or a potential violation of any applicable statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding. In addition, consistent with the Communications Act of 1934, FCC regulations and orders, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law, information provided in or submitted with this form or in response to subsequent inquiries may be disclosed to the public.

If you owe a past due debt to the Federal government, the information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized.

If you do not provide the information we request on the form, the FCC may delay processing of your application or may

return your application without action.

The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq.

Public reporting burden for this collection of information is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554.

Please submit this form to:

**SLD-Form 471
P.O. Box 7026
Lawrence, Kansas 66044-7026**

**For express delivery services or U.S. Postal Service, Return Receipt Requested,
mail this form to:**

**SLD Forms
ATTN: SLD Form 471
3833 Greenway Drive
Lawrence, Kansas 66046
(888) 203-8100**

Print

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Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)
)
Requests for Waiver)
of the Decision of the)
Universal Service Administrator by)
)
Adams County School District 14)
Commerce City, Colorado, *et al.*)
)
Schools and Libraries Universal Service)
Support Mechanism)

File Nos. SLD-425151, 425211, 425303,
425352, 426285, *et al.*

CC Docket No. 02-6

RECEIVED & INSPECTED

MAY 25 2007

FCC - MAILROOM

ORDER

Adopted: March 22, 2007

Released: March 28, 2007

By the Commission: Commissioner McDowell issuing a statement.

I. INTRODUCTION

1. In this Order, we grant requests by 66 schools and libraries (collectively, Petitioners) for review of decisions by the Universal Service Administrative Company (USAC) denying applications for discounted services under the schools and libraries universal service mechanism (also known as the E-rate program) on the grounds that they violated the Commission's requirement that a legally binding agreement be in place when the FCC Form 471 application is submitted.¹ We also grant six appeals from applicants whose funding commitments were reduced on the grounds that an existing contract expired without the applicant posting a new FCC Form 470 for services to be provided for the remainder of the funding year.² To ensure that the underlying applications are resolved expeditiously, we direct USAC to complete its review of each application listed in Appendices A and B and issue an award or denial based upon a complete review and analysis no later than 90 days from the release of this Order.

II. BACKGROUND

2. Under the E-rate program, eligible schools, libraries, and consortia that include eligible schools and libraries may apply for discounts for eligible telecommunications services, Internet access, and internal connections.³ Our rules provide that, with one limited exception for existing, binding contracts, an eligible school, library, or consortium that includes eligible schools or libraries must seek

¹ See Appendix A. In this Order, we use the term "appeals" to refer generically to requests for review of decisions, or to petitions for waivers related to such decisions, issued by the Commission, the Wireline Competition Bureau, or USAC. A list of these filings is attached in the Appendices and we will refer to all of these parties as Petitioners. Section 34.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Universal Service Administrative Company may seek review from the Commission. 47 C.F.R. § 34.719(c).

² See Appendix B.

³ 47 C.F.R. §§ 54.502, 54.503.

competitive bids for all services eligible for support.⁴ In accordance with our rules, an applicant must file with USAC an FCC Form 470 requesting services.⁵ After the FCC Form 470 is posted to USAC's web site, the applicant must wait 28 days before entering into an agreement with a service provider for the requested services and submitting an FCC Form 471.⁶ Section 54.504(c) of our rules also states that the FCC Form 471 requesting support for the services ordered by the applicant shall be submitted "upon signing a contract for eligible services."⁷ Specifically, the instructions for FCC Form 471 state that applicants must have a "signed contract" or a "legally binding agreement" with the service provider "for all services" ordered on the FCC Form 471.⁸

3. There are two exceptions to this rule: non-contracted tariffed services and certain month-to-month services.⁹ If the services are month-to-month, applicants can instead submit copies of standard monthly bills as proof that they have binding, legal arrangements with service providers.¹⁰ In addition, applicants are instructed to indicate that such situations exist by filling in the abbreviation "MTM" in Item 15 of the FCC Form 471.¹¹

4. To ensure that applicants are in compliance with our competitive bidding rules, applicants must file a new FCC Form 470 when the existing contract ends.¹² When contracts expire at the end of the original term, the applicant must post a new FCC Form 470 for services provided beyond the contract expiration date.¹³ An applicant does not need to post a new FCC Form 470 each year when it has a multi-year contract or when exercising a contract's voluntary renewal provision if the applicant indicated that it was seeking a contract with those terms when it originally filed the FCC Form 470.¹⁴

5. Seventy-two Petitioners have requested a waiver of our rules or a review of USAC's decision to deny funding because they did not have a legally binding agreement in place when their FCC

⁴ 47 C.F.R. §§ 54.504, 54.511(c).

⁵ 47 C.F.R. § 54.504(b); *see also* Schools and Libraries Universal Service, Description of Services Requested and Certification Form, OMB 3060-0806 (September 1999) (FCC Form 470).

⁶ 47 C.F.R. § 54.504(b)(4); *see also* Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 (September 1999) (FCC Form 471).

⁷ 47 C.F.R. § 54.504(c); *see also* *Request for Review of Walldwick School District, Schools and Libraries Universal Service Support Mechanisms*, File No. SLD-234540, CC Docket No. 02-6, Order, 18 FCC Rcd 22994, 22995, para. 3 (Wireline Comp. Bur. 2003) (*Walldwick Order*); *Request for Review of St. Joseph High School, Schools and Libraries Universal Service Support Mechanisms*, File No. SLD-234540, CC Docket Nos. 96-45, 97-21, Order, 17 FCC Rcd 22499, 22500-01, para. 4 (Wireline Comp. Bur. 2002) (*St. Joseph Order*).

⁸ Instructions for Completing the Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 (November 2001) (FCC Form 471 Instructions) at 19.

⁹ *Id.* Applicants taking services from a filed tariff are not required to have a binding contract because the service is provided by the service provider to all parties at set rates and conditions.

¹⁰ *Id.* at 20.

¹¹ *Id.*

¹² *See* *Request for Review of New Albany-Floyd County Consolidated School Corporation, Schools and Libraries Universal Service Support Mechanisms*, File No. SLD-287615, CC Docket No. 02-6, Order, 20 FCC Rcd 8159, 8160-61, para. 5 (Wireline Comp. Bur. 2005) (*New Albany-Floyd County Order*).

¹³ *Id.* *See also* USAC website, Contract Guidance, <<http://www.sl.universalservice.org/reference/contract%5Fguidance.asp>> (retrieved Feb. 14, 2007).

¹⁴ *Id.*

Form 471 application was submitted or because their contract expired before the end of the funding year.¹⁵

III. DISCUSSION

6. In this item, we grant relief to 72 Petitioners seeking a reversal of USAC's decisions to deny their requests for universal service funding under the E-rate program. We grant a limited waiver of section 54.504(c) of our rules and remand the underlying applications associated with these appeals to USAC for further action consistent with this Order.¹⁶ To ensure that the underlying applications are resolved expeditiously, we direct USAC to complete its review of each application listed in Appendices A and B and issue an award or denial based upon a complete review and analysis no later than 90 days from the release of this Order.

7. Petitioners' requests for universal service funding were denied either because they did not have a legally binding agreement in place when their FCC Form 471 application was submitted or because their contract expired before the end of the funding year. Some Petitioners claim that they could not or did not comply with our rules due to conflicting local or state procurement requirements.¹⁷ Other Petitioners claim that their employees erred or they misunderstood the rules.¹⁸ Other Petitioners claim that they technically followed program rules despite USAC's decision to the contrary.¹⁹

¹⁵ See 47 C.F.R. § 54.504(c). Although there is no specific provision in the Commission's rules that requires applicants to file a new Form 470 for services that extend beyond the contract expiration date, this principle is implicit in the program requirement that all services funded by the schools and libraries program be competitively bid. See 47 C.F.R. 54.504(a).

¹⁶ The Commission may waive any provision of its rules on its own motion and for good cause shown. 47 C.F.R. § 1.3. A rule may be waived where the particular facts make strict compliance inconsistent with the public interest. *Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*). In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. *WAIT Radio v. FCC*, 418 F.2d 1153, 1157, (D.C. Cir. 1969), *affirmed by WAIT Radio v. FCC*, 459 F.2d 1203 (D.C. Cir. 1972). In sum, waiver is appropriate if special circumstances warrant a deviation from the general rule, and such deviation would better serve the public interest than strict adherence to the general rule. *Northeast Cellular*, 897 F.2d at 1166.

¹⁷ See Request for Review of Adams County School District 14; Request for Waiver of Ballard County School District; Request for Review of Bullock County School District; Request for Review of Chesapeake Public Library System; Request for Review of Churchill County School District; Request for Review of District of Columbia Public Schools; Request for Review of Duluth Public Schools; Request for Review of Guam Department of Education; Request for Review of Holy Family School; Request for Review of Jefferson Parish School District; Request for Review of Merrimack Valley Library Consortium; Request for Review of Metropolitan Dayton Educational Cooperative Association; Request for Review of Missouri Research and Education Network; Request for Review of Monroe County Library System; Request for Review of Milwaukee Public Schools; Request for Review of Saddle Mountain Unified School District # 90; Request for Review of Saint Louis Special School District; Request for Review of Saint Paul Public Schools; Request for Review of San Diego Independent School System.

¹⁸ See Request for Review of Academie Cristo de los Milagros; Request for Review of Amesbury School District; Request for Review of Audre & Bernard Rapoport Academy; Request for Review of Bertie County School; Request for Review of Bourne Middle School; Request for Review of City of Baker School System; Request for Review of Christian Academy of Indiana; Request for Review of Compton Unified School District; Request for Review of Des Moines Public School; Request for Review of Eagle Ridge Academy; Request for Review of FCMA Immokalee Charter School; Request for Waiver of Fulton County School District; Request for Review of Hmong Academy; Request for Review of Information Referral Resource Assistance Independent School District; Request for Review of Institute for Learning Research, Inc.; Request for Review of Kingman Unified School District No. 20; Request

8. Based on the facts and the circumstances of these specific cases, we find that good cause exists to grant a limited waiver of section 54.504(c) of our rules for these Petitioners.²⁰ Competitive bidding requirements serve as a central tenet of the E-rate program. They ensure more efficient pricing for telecommunications and information services purchased by schools and libraries and help deter waste, fraud and abuse. Rigid adherence to the rule in these cases, however, does not further the purposes of the statutory goal mandated by Congress of preserving and advancing universal service for schools and libraries. Furthermore, we note granting these appeals should have minimal effect on the Universal Service Fund (USF or the Fund).²¹

9. The record demonstrates that although some Petitioners technically missed the program deadline for having a written contract in place, they were adhering to local or state procurement laws.²²

for Review of Lapeer District Library; Request for Review of Leland School District; Request for Review of Lincolnville Central School; Request for Review and/or Waiver of Lowell Joint Elementary School District; Request for Review of Nicholas County School District; Request for Review of North Clackamas School District 12; Request for Review of Our Lady Queen of Martyrs School; Request for Review of Parma City School District; Request for Review of RCMA Wimauma Charter School; Request for Review of Russell County Public Schools; Request for Review of Salisbury-Elk Lick School District; Request for Review of Sanborn Regional School District; Request for Review of St. Ignatius School; Request for Review of St. Leo Catholic Urban Academy; Request for Review of St. Matthias School; Request for Review of St. Rose Catholic Urban Academy; Request for Review of Upshur County School District; Request for Review of Wood County Educational Service Center.

¹⁹ See Request for Review of Aldar Academy; Request for Review of Andes Central School District; Request for Review of Beacon Academy; Request for Review of Campbell City Schools; Request for Review and/or Waiver of Cristo Rey New York High School; Request for Review of Fox Public Schools; Request for Review of Greater Newark Charter School; Request for Review of Kershaw County School District; Request for Review of Laredo Independent School District; Request for Review of Lexington County School District 1; Request for Review of Madison-Oneida BOCES; Request for Review of Mercedes Independent School District; Request for Review of Miami-Dade County Public Schools; Request for Review of Montgomery County School District; Request for Review of Richmond County School District; Request for Review of Southside Independent School District; Request for Review of Sunnyside Unified School District 12; Request for Review of United Talmudical Academy; Request for Review of Weatherly Area School District.

²⁰ 47 C.F.R. § 54.504(c). We also find good cause to waive the 28-day competitive bidding rule with respect to one funding request number (FRN) for the City of Baker School System (Baker). USAC denied funding for the FRN after finding that Baker awarded the contract before the 28-day period for posting its FCC Form 470 to USAC's website had expired. See 47 C.F.R. § 54.504(b)-(c). We find that Baker misunderstood the competitive bidding rules and did not repost an FCC Form 470 because it had a multi-year contract with its service provider. Because Baker did not indicate that its contract would be multi-year when it originally requested bids, it should have reposted an FCC Form 470 to allow all parties to bid on the contract. We find that, because this contractual agreement was already subject to the Commission's competitive bidding rules when it was first entered into, Baker should not be denied needed funding for these pre-existing contractual agreements and, thus, we waive section 54.504(b) of the Commission's rules in this instance. See 47 C.F.R. § 54.504(b).

²¹ We estimate that the appeals granted in this Order involve applications for approximately \$27.4 million in funding for Funding Years 2001-2006. We note that USAC has already reserved sufficient funds to address outstanding appeals. See, e.g., Universal Service Administrative Company, Federal Universal Service Support Mechanisms Fund Size Projections for the Second Quarter 2007 (Jan. 31, 2007). Thus, we determine that the action we take today should have minimal impact on the Universal Service Fund as a whole.

²² See Request for Waiver of Ballard County School District; Request for Review of Bullock County School District; Request for Review of District of Columbia Public Schools; Request for Review of Duluth Public Schools; Request for Review of Guam Department of Education; Request for Review of Holy Family School; Request for Review of Institute for Learning Research, Inc.; Request for Review of Jefferson Parish School District; Request for Review of Madison-Oneida BOCES; Request for Review of Merrimack Valley Library Consortium; Request for Review of Metropolitan Dayton Educational Cooperative Association; Request for Review of Milwaukee Public

Others had to have their commitments with service providers approved by their governing boards or their agreements with service providers were contingent upon getting USAC's approval of funding before they could legally enter into the contract.²³ As a result, these Petitioners were unable to sign a legally binding agreement prior to filing their FCC Form 471 as required by section 54.504(c) of our rules.²⁴ Other Petitioners were denied needed funding because of ministerial mistakes.²⁵ For example, Academia Cristo de los Milagros mistakenly noted on its FCC Form 471 that its contract ended nine months before the end of the funding year, thus securing funding for only three months instead of the 12 it intended.²⁶ In another appeal, Compton Unified School District said it submitted the wrong contract to USAC, making it appear as though its FCC Form 471 was submitted before its contract was signed.²⁷ Although the Petitioners missed the deadline for evidencing a signed contract, they had legally binding contracts in place during the relevant funding years. Thus, all Petitioners had some form of an agreement with their service providers before submitting their FCC Forms 471. We find, therefore, that in these specific circumstances, a limited waiver of rule 54.504(c) is warranted.

10. These mistakes do not warrant the complete rejection of these Petitioners' applications for E-rate funding. Importantly, these appeals do not involve a misuse of funds. The Commission recently found in *Bishop Perry Middle School* that, under certain circumstances, rigid adherence to certain E-rate rules and requirements that are "procedural" in nature does not promote the goals of section 254 of

Schools; Request for Review of Missouri Research and Education Network; Request for Review of Saint Paul Public Schools; Request for Review of San Diego Independent School System. Although these schools had substantially completed their selection process for service providers, the contracts were not in place when the FCC Forms 471 were submitted because of additional steps required by state or local procurement laws.

²³ See Request for Review of Adams County School District 14; Request for Review of Chesapeake Public Library System; Request for Review of Churchill County School District; Request for Review of Fox Public Schools; Request for Review of Monroe County Library System; Request for Review of Saddle Mountain Unified School District # 90; Request for Review of Saint Louis Special School District.

²⁴ 47 C.F.R. § 54.504(c). While the dates vary each year, an FCC Form 471 filing window is typically open from early November to early February preceding the start of the funding year. See USAC website, Schools and Libraries Timetable and List of Deadlines, <<http://www.universalservice.org/sl/tools/calendar-reminders.aspx>> (retrieved Feb. 14, 2007).

²⁵ See Request for Review of Academie Cristo de los Milagros; Request for Review of Amesbury School District; Request for Review of Audre & Bernard Rapoport Academy; Request for Review of Bertie County School; Request for Review of Bourne Middle School; Request for Review of City of Baker School System; Request for Review of Campbell City Schools; Request for Review of Christian Academy of Indiana; Request for Review of Compton Unified School District; Request for Review of Des Moines Public School; Request for Review and/or Wavier of Cristo Rey New York High School; Request for Review of Eagle Ridge Academy; Request for Review of FCMA Immokalee Charter School; Request for Waiver of Fulton County School District; Request for Review of Hmong Academy; Request for Review of Information Referral Resource Assistance Independent School District; Request for Review of Kingman Unified School District No. 20; Request for Review of Lapeer District Library; Request for Review of Leland School District; Request for Review of Lincolnville Central School; Request for Review and/or Waiver of Lowell Joint Elementary School District; Request for Review of Miami-Dade County Public Schools; Request for Review of Nicholas County School District; Request for Review of North Clackamas School District 12; Request for Review of Our Lady Queen of Martyrs School; Request for Review of Parma City School District; Request for Review of ROMA Wimauma Charter School; Request for Review of Russell County Public Schools; Request for Review of Salisbury-Elk Lick School District; Request for Review of Sanborn Regional School District; Request for Review of St. Ignatius School; Request for Review of St. Leo Catholic Urban Academy; Request for Review of St. Matthias School; Request for Review of St. Rose Catholic Urban Academy; Request for Review of Upshur County School District; Request for Review of Wood County Educational Service Center.

²⁶ Request for Review of Request for Review of Academie Cristo de los Milagros.

²⁷ Request for Review of Compton Unified School District.

the Act – ensuring access to discounted telecommunications and information services to schools and libraries – and therefore does not serve the public interest.²⁸

11. Consistent with precedent, we also grant the requests for review in instances where USAC denied funding solely because the execution date of the contract did not accompany the signature lines of both the applicant and the service provider.²⁹ We find in these instances that the Petitioners were denied funding by USAC only because the effective date of the contract was separate from the signature lines but that Petitioners had signed and dated contracts in place before the submission of their FCC Forms 471 and thus were in compliance with our rules.³⁰

12. In all of these cases, there is no evidence in the record that Petitioners engaged in activity to defraud or abuse the E-rate program. Finally, we find that, for these applicants, denying their requests for funding would create undue hardship and prevent these otherwise eligible schools and libraries from receiving E-rate funding. In some instances here we depart from prior Bureau precedent.³¹ For the reasons we describe, however, we find that the departure is warranted and in the public interest.

²⁸ See *Request for Review of the Decision of the Universal Service Administrator by Bishop Perry Middle School, et al., Schools and Libraries Universal Service Support Mechanism*, File Nos. SLD-487170, et al., CC Docket No. 02-6, Order, 21 FCC Rcd 5316, 5316-17, 5319-20, paras. 2, 9 (2006) (*Bishop Perry Middle School*). Moreover, as noted recently in *Bishop Perry Middle School*, many applicants contend that the application process is complicated and time-consuming, and the Commission has started a proceeding to address, among other things, modifying the application and competitive bidding process for the schools and libraries support mechanism. See *Comprehensive Review of Universal Service Fund Management, Administration, and Oversight, Federal-State Joint Board on Universal Service, Schools and Libraries Universal Service Support Mechanism, Rural Health Care Support Mechanism, Lifeline and Linkup, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, WC Docket Nos. 05-195, 02-60, 03-109, CC Docket Nos. 96-45, 02-6, 97-21, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, 20 FCC Rcd 11308, 11325, para. 40 (2005) (*Comprehensive Review NPRM*); *Bishop Perry Middle School*, 21 FCC Rcd at 5319-20, para. 9.

²⁹ See *Request for Review of a Decision of the Universal Service Administrator by Gayville-Volin School District 63-1, Schools and Libraries Universal Service Support Mechanisms*, File No. SLD-471545, CC Docket No. 02-6, Order, 21 FCC Rcd 9274 (Wireline Comp. Bur. 2006); *Request for Review of Richmond County School District, Schools and Libraries Universal Service Support Mechanisms*, File Nos. SLD-451211, 452514, 464649, CC Docket No. 02-6, Order, 21 FCC Rcd 6570 (Wireline Comp. Bur. 2006). To the extent state contract law does not require two signatures and two dates for a valid contract, Commission precedent does not impose such a requirement. We note that in detailing document retention requirements, the Commission required both beneficiaries and service providers to retain executed contracts that are "signed and dated by both parties." *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Fifth Report and Order, 19 FCC Rcd 15808, 15825, para. 48 (2004). We clarify that this language was not intended to establish a new rule regarding the validity of a contractual agreement.

³⁰ See *Request for Review of Aldar Academy*; *Request for Review of Andes Central School District*; *Request for Review of Beacon Academy*; *Request for Review of Greater Newark Charter School*; *Request for Review of Kershaw County School District*; *Request for Review of Laredo Independent School District*; *Request for Review of Lexington County School District 1*; *Request for Review of Mercedes Independent School District*; *Request for Review of Montgomery County School District*; *Request for Review of Richmond County School District*; *Request for Review of Southside Independent School District*; *Request for Review of Sunnyside Unified School District 12*; *Request for Review of United Talmudical Academy*; *Request for Review of Weatherly Area School District*.

³¹ See, e.g., *New Albany-Floyd County Order*, 20 FCC Rcd at 8160-61, para. 5 (finding that applicant must repost FCC Form 470 when contract expires mid-funding year); *Waldwick Order*, 18 FCC Rcd at 22995, para. 3 (denying E-rate funding because applicant did not have signed, binding agreement with service provider); *St. Joseph Order*, 17 FCC Rcd at 22500-01, para. 4 (denying E-rate funding when applicant inadvertently told USAC it did not have a binding agreement even when, in fact, it did).